



June 26, 2018

The Honorable Richard Pan  
Member, California State Senate  
State Capitol, Room 5114  
Sacramento, CA 95814

**RE: Senate Bill 311 – SUPPORT  
As Amended June 18, 2018**

Dear Senator Pan:

The California Growers Association (CalGrowers) and the Rural County Representatives of California (RCRC) are pleased to support your Senate Bill 311, which clarifies that licensed cannabis distributors can transfer tested and packaged cannabis and cannabis products between distribution licensees and premises in order to meet the demands of the regulated marketplace.

CalGrowers represents more than 1,000 members, distributed throughout the state and the various license categories in the supply chain. RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties. Both of our organizations have a keen interest in ensuring that our state has a vibrant and well-regulated cannabis market. SB 311 will help minimize illegal cultivation and inappropriate movement of cannabis products through the regulated distribution system.

The cannabis market in California is complex and diverse. The market depends on multiple points of distribution to bring goods to market. Without the ability to move products through a regulated network of distributors, there will be significant bottlenecks in supply reaching the limited retail market. The regulated market is facing significant challenges in the early stages. And, we believe the current licensees (particularly cultivators) cannot bear the burden of further unnecessary barriers to moving licensed products throughout the entire state's marketplace. SB 311 is important to the overall cannabis network and urgent if the regulated cannabis marketplace is going to gain much-needed momentum in the coming months.

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CalGrowers and RCRC thank you for your leadership on SB 311, and we certainly look forward to helping move the measure through the legislative process. If you should have any questions, please do not hesitate to contact Paul A. Smith of RCRC at (916) 447-4806 or Hezekiah Allen of CalGrowers at (916) 706-2677.

Sincerely,



PAUL A. SMITH  
Vice President Government Affairs  
RCRC



HEZEKIAH ALLEN  
Executive Director  
CalGrowers